

## Submitted testimony before the State Affairs Committee of the Texas Senate regarding S.J.R. 10

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- The Texas Public Policy Foundation wholeheartedly supports the call for an Article V convention to propose a balanced budget amendment for ratification by the states.
- The conservative movement arose largely in response to the great expansion of federal power that began in the 1930s, and has gathered strength and momentum with every successive wave of federal expansion since then.
- The current federal budgets contain deficits in excess of 10 percent of GDP—a staggering sum that increases our dependence on foreign governments, sucks desperately-needed investment capital out of the private economy, and will burden future generations with a crushing debt. The federal deficit is among the most grave national security threats we face, as the Chairman of the Joint Chiefs of Staff recently noted.
- Fiscal discipline means more than a balanced budget mechanism. It will also require spending limits. Otherwise the balanced budget amendment could lead straight to massive tax increases. We believe that a spending limitation patterned on the balanced budget amendment resolution recently introduced in Congress—which caps spending at 20 percent of GDP and requires a two-thirds vote in both houses of Congress to raise taxes—provides the safeguards necessary for making sure that balanced budgets don't simply transform the current deficits into new taxes.
- A state Article 5 convention application should be limited in scope, in order to ensure that the Article 5 convention doesn't go beyond the changes necessary to restore fiscal discipline. But we believe it should call for a spending limit in conjunction with the balanced budget mechanism.
- The Constitution provides only one way for states to initiate changes to the federal constitution: the Article V convention. Though an Article V convention has never occurred, some constitutional amendments started life as state Article V applications. To ensure speed and simplicity, Congress has stepped in to propose specific amendments for ratification.
- Regardless how you get to a proposed amendment—whether by an Article V convention, or directly by a congressional resolution—the proposed amendment must still be ratified by legislatures or conventions in three-fourths of the states.
- The power to rescind the call of the states if the convention goes beyond the scope of the state Article V application, the ability of Congress to step in to propose a specific amendment directly, and the power of ratification by three-fourths of the states, afford the People several powerful levers with which to control the process and outcome of any Article V convention to propose an amendment.
- The Constitution of the United States has been significantly weakened since the 1930s by generation after generation of liberal big-government expansions, and federal courts that have abdicated their role as guardians of the constraints on federal power. It is increasingly clear to people across America that the Constitution must be strengthened to prevent its further deterioration. A balanced budget amendment is not needed just to fix our desperate fiscal situation. At stake is nothing less than our most cherished liberties, our way of life, and the very future of our Republic. ★